

EMPLOYEES' RETIREMENT PLAN

CITY OF SAVANNAH

JANUARY 1, 2001

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ARTICLE I ESTABLISHMENT OF PLAN

The CITY OF SAVANNAH EMPLOYEES' RETIREMENT PLAN (hereinafter referred to as the "Plan") was adopted June 8, 1972, effective July 1, 1972, for the primary purpose of providing retirement and disability income security to the Employees of the City who are, or shall be, covered hereunder. The Plan, as amended, and restated, to be effective as of January 1, 2001 unless otherwise indicated, with all amendments and Plan changes incorporated herein.

The Plan, as originally adopted and amended, remains in full force and effect except to the extent in conflict herewith.

ARTICLE II DEFINITIONS

A. The following words or phrases shall have the meanings as set forth in this Article as follows:

1. *"City"* shall mean City of Savannah, Georgia, any agency thereof whose Employees are covered by this Plan and, the Mayor and Aldermen of the City of Savannah, Georgia.
2. *"General Employee"* shall mean any person who on or after January 1, 1972 is employed by the City as a Full-time Employee in a job other than as a law enforcement officer or as a firefighter. A General Employee, who was covered under the original City of Savannah Retirement Plan and who elected not to become a Participant in the Supplemental Retirement Plan, shall not be considered as an Employee for the purposes of this Plan. Officers elected by the people and persons appointed to fill vacancies in such elective offices may elect not to participate in the Plan.
3. *"Police or Fire Employee"* shall mean any person who, on or after the Effective Date of this Plan, is employed by the City as a Full-time Employee and as a law enforcement officer or firefighter.
4. *"Full-Time Employee"* shall mean any person employed by and on the payroll of the City who is normally scheduled to work 20 hours per week or more for a period of 5 months or more per year.
5. *"Plan"* shall mean the City of Savannah Employees' Retirement Plan.
6. *"Participant"* shall mean an Employee who becomes eligible for participation in the Plan in accordance with the provisions set forth in Article IV hereof, including the provisions in that Article and in Article V, which require contributions by the Employee. Participant shall also include former Employees who are eligible for and are receiving benefits under this Plan. An individual shall cease to be a Participant if he or she incurs a break-in-service prior to becoming vested hereunder. In addition, an individual who is

receiving benefits from this Plan shall cease to be a Participant when he or she ceases receiving said benefits in accordance with the provisions of the Plan which define for what periods benefits are to be paid. Participants elected to office or appointed to fill a vacancy in an elective office while receiving benefits under the Plan may elect to continue such benefits, in which event, the Participant shall not make contributions to the Plan.

7. *"Effective Date"* shall mean the Effective Date of the Plan which is July 1, 1972.
8. *"Anniversary Date"* shall mean July 1, 1973 and each July 1 thereafter.
9. *"Credited Service"* shall mean a Participant's total service from date of employment or appointment, including both past service credit, if any and future service credit, as these terms are defined in Article IV.
10. *"Basic Monthly Earnings"* or *"Basic Annual Earnings"* shall mean basic monthly or annual compensation, exclusive of overtime pay and inclusive of amounts designated under a salary reduction agreement.
11. *"Final Average Earnings"* shall mean the average of the 5 consecutive years of highest Basic Annual Earnings after the Effective Date of this Plan in the 10 years immediately preceding retirement. If any benefit otherwise payable under this Plan becomes payable before the Employee has been employed by the City for 5 years, the computation of Final Average Earnings will be based on the Employee's Basic Annual Earnings or Basic Monthly Earnings for the period of time the Employee has been employed by the City.
12. *"Retirement Board"* and *"Board"* shall mean the Retirement Board as provided in Article III hereof.
13. *"Beneficiary"* shall mean an individual designated to receive benefits in accordance with the provisions of the Plan, which provide for such benefits to be paid to a designated Beneficiary. A Beneficiary shall be designated as provided in Article VI hereof.
14. *"Occupational Disability"* shall mean Total and Permanent Disability which results from an accident or sickness which was sustained in the course of employment.
15. *"Non-Occupational Disability"* shall mean Total and Permanent Disability which results from an accident or sickness which was not sustained in the course of employment.
16. *"Total and Permanent Disability"* shall mean a disability, the medical prognosis of which is that it shall be both total and permanent and which thereby prevents an Employee from engaging in his or her duties as an Employee of the City.
17. *"Fund"* or *"Retirement Fund"* shall mean the combined assets held to provide for the benefits of this Plan.

- B. Words in this document written in the singular shall include the plural, words written in the plural shall include the singular, words written in the masculine gender shall include the feminine gender, and words written in the feminine gender shall include the masculine gender, unless the context shall clearly and absolutely indicate a restrictive meaning.

ARTICLE III ADMINISTRATION OF PLAN

A. *Retirement Board*

The Plan shall be administered by a Retirement Board consisting of eight members as follows:

1. The City Manager;
2. The Chief Financial Officer of the City;
3. A Police Employee selected by the Police Employees.
4. A Fire Employee selected by the Fire Employees.
5. A General Employee selected by the General Employees.
6. A member of the City Council selected by the City Council.
7. Two citizens at large selected by the Mayor and Aldermen.

The City Manager and the Chief Financial Officer of the City shall serve as permanent members of the Board. The City Council member shall serve during the member's term of office. The other members shall serve a four-year term.

The Board shall have such powers as are necessary for the proper administration of the Plan including, but not limited to, the following:

1. To prescribe procedures to be followed by Participants in filing applications for benefits and for the furnishing of evidence necessary to establish Employee's rights to such benefits;
2. To make determinations as to the rights of any Participant applying for or receiving retirement benefits, and to afford any such individual dissatisfied with any such determination the right of a hearing thereon;
3. To develop procedures for the establishment of Credited Service of Participants and, after affording Participants an opportunity to make objection with respect thereto, to establish such service conclusively in advance of retirement;
4. To select a Plan consultant and actuary;
5. To receive periodic (not more often than once a year) actuarial valuations of the Plan;
6. To establish a statement of investment policy of the investment of Plan assets;

7. To select funding media for the Plan's assets, to select an investment advisor, to delegate the responsibility for investment of fund assets to a bank, an insurance company or an investment advisor or to select any combination of these funding media and/or investment facilities and services;
8. To select an investment evaluation advisor whose duties may include providing periodic evaluation of investment advisor performance; providing advice on the Plan's investment policy, guidelines, goals and asset allocation; providing assistance for investment advisor searches, when called upon to do so;
9. To obtain from the City, from the institution(s) used as the funding media of the Plan, from the Plan's investment advisor(s), from the Plan consultants and actuaries, and from Participants such information as shall be necessary for the proper administration of the Plan.

To the extent that sound actuarial and accounting principles permit, the Board may coordinate its activities in the administration of the Plan with the administrative activities of the governing board or boards of any other retirement plan or group insurance plan established or to be established for Employees of the City of Savannah or the Employees of any other political subdivision, to the extent permitted by law, to such extent and upon such terms as may be deemed necessary or desirable by the Board, including but not limited to the use of common offices, personnel, professional advisors, records, beneficiary designations, notices, supplies and equipment.

The Board will meet as often as is necessary to conduct the business of the Board but not less often than quarterly. To constitute a quorum for the transaction of business, there shall be required to be present at any meeting of the Board at least a majority of the members of the Board. Decisions of the Board shall be by a majority of the votes cast and shall be binding.

B. Retirement Administrator

The City Manager will appoint a Retirement Administrator whose duties will be to maintain an office for implementation of procedures, policies and decisions set forth by the Board.

C. Retirement Fund

The Mayor and Aldermen shall create a Retirement Fund and shall contribute to this Fund monthly. Employees will make regular contributions to the Retirement Fund. The amount of each Employee's contribution shall be as determined in Article V.

The City's annual contribution will be that amount necessary, in addition to the Employees' contributions, to fund and to provide the benefits stipulated herein on an actuarially sound basis; and to meet legally required minimum standards as may be mandated by laws having jurisdiction over the Plan.

D. Evaluation of Investment Performance

From time to time, but no less often than annually, the Retirement Board will evaluate the performance of the incumbent investment advisor or advisors and the investment institution or institutions and determine whether or not to retain the services of the investment advisor(s) or institution(s) or to secure the services of a different investment advisor(s) or institution(s).

ARTICLE IV ELIGIBILITY TO PARTICIPATE

A. *Current Employees*

Each Full-Time Employee of the City, as defined in Article II hereof, except for those Police or Fire Employees who had completed 1 or more years of Credited Service on the Effective Date, shall participate in the Plan and shall make contributions hereto, as required in Article V hereof. Those Police or Fire Employees who had completed 1 or more years of Credited Service on the Effective Date shall also participate hereunder, unless they had made an irrevocable election in writing no later than 10 days after the Effective Date of the Plan not to participate, in which event they shall continue to participate in the retirement plan under which they were covered prior to the Effective Date of this Plan. Any Police or Fire Employees making such an irrevocable election shall not be eligible to participate in this Plan.

B. *New Employees*

All Full-Time Employees who shall become employed with the City subsequent to the Effective Date shall participate in the Plan on their date of employment and shall make contributions to the Plan as required in Article V hereof as a condition of employment.

C. *Absence on Initial Eligibility Date*

Anything herein to the contrary notwithstanding, any Employee who, on the date he becomes eligible to participate hereunder, is absent from work because of an accident or sickness sustained in the course of employment with the City with respect to which he or she receives Workers' Compensation benefits and/or is on an authorized leave of absence shall be allowed to become a Participant hereunder upon return to full-time employment with the City without regard to the date thereof. Further, any Employee of the City who shall at any time have met the service requirements of Article IV but shall, prior to being offered the opportunity to participate hereunder, have interrupted his or her service with the City for the purposes of serving a term of active duty in the Armed Forces of the United States, shall be allowed to become a Participant hereunder without regard to the date thereof, upon returning to employment with the City within 3 months of the time the Employee first becomes eligible for discharge from said Armed Forces.

D. *Crediting of Service*

1. *Past Service*

Each Employee of the City on the Effective Date who becomes a Participant as of the Effective Date shall receive past service credit for service with the City of Savannah, Chatham County or any joint agency of the City of Savannah and Chatham County. Such past service credit shall be equal to the number of years and months of the Employee's full-time service with the City of Savannah, Chatham County or any joint agency of the City of Savannah and Chatham County prior to the Effective Date. Such credit shall apply only to those Employees of the City on the Effective Date.

After the Effective Date, any new Employee of the City who transfers from service with Chatham County or from service with a joint agency of the City of Savannah and Chatham County shall receive past service credit for service with these agencies only if such agencies had retirement plans equivalent to the Retirement Plan of the City of Savannah, and only if such Employee was under such retirement plans at the time he or she terminated with such agencies, and had not withdrawn any contributions he or she had made to such plans, and provided such agencies agree to transfer to the City Retirement Plan any assets accrued on behalf of the Employee.

2. *Future Service*

Commencing with the Effective Date, a Participant shall receive future service credit equal to the number of years and months of his or her participation in the Plan except when there is interrupted service of 4 or more consecutive years. An interruption of service with the City of four years or more shall constitute a break-in-service whereby the Participant who is not vested shall lose Credited Service. No future service credits will be given for any period of time during which a Participant shall fail for any reason to make contributions to the Plan.

3. *Credited Service During a Period of Interrupted Service*

Credited Service during a period of interrupted service will only be granted with respect to an Employee on an authorized leave of absence with pay. Except with respect to the foregoing, no Credited Service shall be granted for any period for interrupted service except as specifically authorized and funded by the City.

4. *Reinstatement of Credited Service*

In the event an Employee shall have an interruption of service and in the event he or she shall be re-employed by the City as a Full-Time Employee within 4 years of the date of termination of employment with the City, said Employee may have his or her Credited Service hereunder reinstated by reimbursing the Retirement Fund in an amount equal to the contributions he or she had made to the Fund plus interest to the date of his termination of employment (if said contributions plus interest were paid to him or her upon termination of employment) plus interest thereon from his date of termination of employment to the date of repayment of contributions plus past interest, compounded at the rate of interest realized by the Fund for the period during which he or she was not a Participant hereunder and the additional period that elapses until what is owed is paid. In no event will the Employee ever repay less than the contributions he or she had made to the Fund prior to his or her break-in-service.

The amount owed in order to reinstate Credited Service shall be paid by the Employee within 12 months of becoming re-employed by the City. Failure by the Employee to comply with this requirement shall cause the Board to reject the Employee's repayment and the Employee's Credited Service shall not be reinstated. The Board may, in its sole discretion, extend this time limit for good cause.

5. *Fractional Years of Credited Service*

In computing a Participant's total Credited Service hereunder, periods of less than a full year shall be calculated as the appropriate fractional part of a 12-month period.

6. *Credited Service Granted for Accrued Sick Leave at Retirement*

The unused balance of a Participant's accrued sick leave under any sick leave program that may be offered by the City at the time of retirement can be credited in one, and only one, of the following two ways, at the option of the Participant, at the time of terminating employment with the City:

(a) The accrued sick leave balance as of the date of retirement may be converted into an equivalent number of months (up to a maximum of 12 months) and combined with the Participant's actual service to determine an adjusted total Credited Service to be used for the purpose of computing benefits due under Sections A, B, or C of Article VI.

(b) The accrued sick leave balance as of the date of retirement may be converted to equivalent number of months (up to a maximum of 12 months) and added to the Participant's actual age to determine an adjusted age to be used for the purpose of computing non-disability benefits under Sections A or B of Article VI.

Credit shall not be granted under this provision to increase a Participant's Credited Service in order to meet minimum service eligibility for a benefit under this Plan.

For a Participant eligible to retire with an Occupational Disability Benefit or a Non-Occupational Disability Benefit, credit for accrued sick leave shall be applied as specified in subsection (a) above.

ARTICLE V EMPLOYEE CONTRIBUTIONS

Effective January 1, 2001, each Employee shall contribute to the cost of the Plan an amount equal to six and sixty-five one-hundredths percent (6.65%) of his or her Basic Monthly Earnings, said contributions commencing upon employment and continuing so long as he or she shall remain a Participant hereunder and employed by the City.

As permitted under section 414(h) of the Internal Revenue Code, employee contributions made after January 1, 2001 shall be deemed picked up by the City, and for purposes of determining

taxable income for the federal income tax, the employee contributions provided for in this Article shall be treated as employer contributions.

ARTICLE VI BENEFITS

A. *Police or Fire Employees*

1. *Retirement Date*

The Retirement Date for a Participant who is a Police or Fire Employee shall be the first day of the month coincident with or next following the date the Participant attains the age of 55 and the completion of 5 or more years of Credited Service, provided however that after the completion of 10 or more years of Credited Service, a Participant who is a Police or Fire Employee may retire on the first day of any month following the attainment of age 50.

2. *Retirement Benefit*

(a) Benefit upon retirement at Age 55 (requires at least 5 years of Credited Service)

A Participant upon retirement at age 55 with 5 or more years of Credited Service shall receive an annual benefit equal to Final Average Earnings multiplied by the sum of the following percentages (up to a maximum of 100% of his or her Final Average Earnings):

- (1) For up to a total combined maximum of 30 years of Credited Service for items (i) and (ii) below where service is credited first to item (i) and second to item (ii):
 - (i) 2.3% for each year (or fraction thereof) of Credited Service earned after January 1, 2000 (including any service credited under Section 6(a) of Article IV), plus
 - (ii) 2.1% for each year (or fraction thereof) of Credited Service earned prior to January 1, 2000, plus
- (2) 1% for each year (or fraction thereof) of Credited Service earned in excess of 30 years.

(b) *Alternative Retirement Date for Police and Fire Employees*

(1) *Alternative Retirement Date at age 50 (requires at least 10 years of Credited Service)*

An Alternative Retirement date for a Participant who is a Police or Fire Employee shall be the first day of any month following the attainment of age 50 and completion of at least 10 years of Credited Service.

(2) *Alternative Retirement Benefit*

A Participant who is a Police or Fire Employee, upon retirement on his or her Alternative Retirement Date, shall receive an immediate monthly retirement benefit, under which payment shall commence on the Alternative Retirement Date of the Participant and shall be payable on the first day of each month thereafter during the lifetime of the Participant. The benefit for alternative retirement shall be computed in the same manner as specified in Section A2(a) of this Article but shall be reduced by one-half of one percent (.5 of 1%) for each month by which the Participant's Alternative Retirement Date precedes his or her age 55.

B. General Employees

1. Retirement Date

The Retirement Date for a Participant who is a General Employee shall be the first day of the month coincident with or next following the date the Participant attains the age of 57 and the completion of 5 or more years of Credited Service, provided however that, after the completion of 10 or more years of Credited Service, a Participant who is a General Employee may retire on the first day of any month following the attainment of age 52.

2. Retirement Benefit

(a) Benefit upon retirement at age 57 (requires at least 5 years of Credited Service)

A Participant upon retirement at age 57 with 5 or more years of Credited Service shall receive an annual benefit equal to Final Average Earnings multiplied by the sum of the following percentages (up to a maximum of 100% of his or her Final Average Earnings):

(1) For up to a total combined maximum of 30 years of Credited Service for items (i) and (ii) below where service is credited first to item (i) and second to item (ii):

(i) 2.3% for each year (or fraction thereof) of Credited Service earned after January 1, 2000 (including any service credited under Section 6(a) of Article IV), plus

(ii) 2.1% for each year (or fraction thereof) of Credited Service earned prior to January 1, 2000, plus

(2) 1% for each year (or fraction thereof) of Credited Service earned in excess of 30 years.

(b) Alternative Retirement Date for General Employees

(1) Alternative Retirement Date at age 52 (requires at least 10 years of Credited Service)

An Alternative Retirement Date for a Participant who is a General Employee shall be the first day of any month following the attainment of age 52 and completion of at least 10 years of Credited Service.

(2) *Alternative Retirement Benefit*

A Participant who is a General Employee, upon retirement on his or her Alternative Retirement Date, shall receive an immediate monthly retirement benefit, under which payment shall commence on the Alternative Retirement Date of the Participant and shall be payable on the first day of each month thereafter during the lifetime of the Participant. The benefit for alternative retirement shall be computed in the same manner as specified in Section B2(a) of this Article but shall be reduced by one-half of one percent (.5 of 1%) for each month by which the Participant's Alternative Retirement Date precedes his or her age 57.

3. Anything herein to the contrary notwithstanding, with respect to those General Employees who were excluded herefrom under Article II, Section 2, there shall be provided retirement benefits therefor as set forth in this Article VI for each such employee who shall agree to contribute to the Pension Reserve Fund in accordance with Article V, hereof, such contribution commencing July 1, 1972.

Such Employee shall comply with all age and service requirements of this Plan in order to obtain the benefits set forth herein.

C. *All Employees*

The following benefits apply to both General Employees and Police or Fire Employees.

1. *Employees Over Retirement Age on Effective Date*

With respect to each Police or Fire Employee who was over age 60 or each General Employee who was over age 65 on the Effective Date of the Plan, the years of Credited Service hereunder shall be the total of said Employee's years of service with the City.

2. *Delayed Retirement*

(a) *Delayed Retirement Date*

An Employee of the City may remain in the active employ of the City beyond normal retirement age; provided however that the City Manager may require, at any time, such Employee to obtain a medical examination certifying medical fitness to perform the duties of the position he or she holds. Credited Service shall continue to accrue beyond age 57 for General Employees and age 55 for Police and Fire Employees.

A General Employee electing to remain in the City's employ after age 57 or Police or Fire Employees electing to remain in the City's employ after age 55 shall not be eligible to receive a Non-occupational Disability Benefit, as provided in this Article, but, on incurring such disability, shall be eligible to receive the retirement benefits of this Plan which are not related to disability.

The provision herein, which permits the City Manager to require a medical examination certifying fitness for continued employment, shall not apply to a Participant serving in an elective office or by election or appointment of the Mayor and Aldermen. Credited Service shall continue to accrue for these Employees so long as such Participant serves in said office.

(b) *Delayed Retirement Benefit*

The Participant who is a General Employee, upon retirement on his or her Delayed Retirement Date, shall receive a monthly retirement benefit which shall be an amount computed and payable in the same manner as a normal retirement benefit as specified in Section B2(a) of this Article with respect to General Employees, but based on the Participant's Final Average Earnings and Credited Service as of his or her Delayed Retirement Date.

The Participant who is a Police or Fire Employee, upon retirement on his or her Delayed Retirement Date, shall receive a monthly retirement benefit which shall be computed and payable in the same manner as a normal retirement benefit as specified in Section A2(a) of this Article with respect to Police or Fire Employees, but based on the Participant's Final Average Earnings and Credited Service as of his or her Delayed Retirement Date.

3. *Occupational Disability Benefit*

(a) *Participant's Benefit*

(1) In the event a Participant shall incur a Total and Permanent Disability as a result of accident or sickness sustained in the performance of his duties as an Employee, he or she may retire on an Occupational Disability benefit, without regard to his or her years of Credited Service, the benefits for which shall begin on the first day of the month following 90 days after such disability commenced.

(2) When an application for an Occupational Disability benefit has been filed, the applicant shall submit therewith a signed certificate from a practicing physician, licensed in the state of Georgia, certifying to the disability of such applicant for a benefit. Immediately thereupon, the Retirement Board shall order the applicant to be examined by a physician named by the Board who likewise shall certify the physical ability or disability of the applicant. The Retirement Board may conduct a hearing for the purpose of determining whether benefits hereunder are due the applicant. Such hearing shall be conducted informally by the examination of witnesses for and in opposition to such application, such witnesses to be sworn. The applicant and Retirement Board may be represented by legal counsel, if each so desires. Copies of documents may be received as evidence in lieu of the original, at the discretion of the Board, and affidavits shall be filed with the Board at the time of the hearing. The decision of the Board shall be final as to whether benefits hereunder are due the applicant. The Retirement Board shall have the right at intervals of not less than one year to require an examination of all Participants receiving Occupational Disability benefits under the provisions of this Plan. In the event any such Participant receiving an Occupational Disability benefit shall be found, as a result of such examination, to no longer qualify as having a Total and Permanent Disability, the Retirement Board may, after hearing evidence thereon and providing an opportunity to such Participant to be heard, remove such Participant from the list of those entitled to an Occupational Disability benefit. It shall be prerequisite to such removal from said list that such Participant shall be tendered a position with the City having the same or equal pay

of that position which such Participant held at the time the Occupational Disability benefit was granted. Provided, however, that in the event such Participant receiving an Occupational Disability benefit refuses to submit to a physical examination after 30 days notice to report for such examination, the Retirement Board shall withhold payments of his or her benefits until he or she submits to such examination and the Participant shall be deemed to have forfeited his or her benefits during the time of his or her refusal to submit to a physical examination.

Anything herein to the contrary notwithstanding, the Board shall have the right to accept a certificate of disability award by the Social Security Administration as conclusive proof of the Total and Permanent Disability of a Participant in lieu of any and all other evidence herein required.

- (3) The Participant's application for the benefits provided herein must be filed with the Board within 24 months of the commencement of the Participant's disability. Failure by the Participant to comply with this provision shall be cause for the Board to reject the Participant's claim for benefits hereunder. The Board may make an exception to this filing requirement when the Board, in its sole discretion, deems such exception to be appropriate.
 - (4) A Participant qualifying for an Occupational Disability benefit shall receive a benefit, which shall be equal to:
 - i. in the case of a Police or Fire Employee, the benefit he or she would have received if, on the date of his or her disability retirement, he or she were age 55 and had completed 25 years of Credited Service (or actual Credited Service if in excess of 25 years), determined in accordance with Section A2(a) of this Article.
 - ii. in the case of a General Employee, the benefit he or she would have received if, on the date of his or her disability retirement, he or she were age 57 and had completed 25 years of Credited Service (or actual Credited Service if in excess of 25 years), determined in accordance with Section B2(a) of this Article.
 - (5) The benefit shall be payable on the Participant's Disability Retirement Date, which shall be the first day of the month coincident with or next following 90 days of the commencement of such disability and each month thereafter during the continuation of the Participant's Total and Permanent Disability.
- (b) *Survivor Benefit*
- (1) If an employed Participant should die as a result of an accident or sickness incurred in the performance of his or her duties as an Employee of the City, or if a Participant receiving an Occupational Disability benefit should die, there shall be payable to the Participant's spouse a monthly survivor benefit commencing with the first day of the month following the date of said Participant's death.

- (2) The amount of the benefit payable to the employed Participant's surviving spouse hereunder shall be equal to the benefit which the Participant would have received had he retired with an Occupational Disability benefit on the day preceding his death. Similarly, the survivor of a Participant who was receiving an Occupational Disability benefit at the time of death shall receive a monthly benefit equal to the monthly Occupational Disability benefit said Participant was receiving.

Said monthly survivor benefit shall commence with the first day of the month following the death of the Participant and shall cease with the last monthly payment immediately preceding the earlier of:

- i. the remarriage of the surviving spouse; or
- ii. in the event of the death of the surviving spouse who is receiving a monthly survivor benefit at the time of the spouse's death, said monthly survivor benefit shall continue until the death, marriage or the attainment of age 18 of the last surviving child, whichever shall first occur; or
- iii. in the event the Participant is not survived by a spouse but survived by only a child or children less than 18 years of age, said monthly survivor benefit shall continue until the death, marriage or the attainment of age 18 of the last surviving child, whichever shall first occur;

provided, however, that no less than a total of 60 payments will be made to the Participant and all survivors combined, in the order and according to the provisions set forth herein. If all survivors set forth herein have become ineligible or cease to exist and fewer than a total of 60 payments have been made to the Participant and all survivors combined, the remaining available payments shall be paid to the Beneficiary named by the last survivor as specified in Section C8 of this Article.

4. *Non-occupational Disability Benefit*

(a) *Participant's Benefit*

- (1) In the event a Participant, while still in the employment of the City, shall incur a Total and Permanent Disability as a result of a non-occupational accident or sickness after completing 5 or more years of Credited Service, he may retire on a Non-occupational Disability benefit, the benefits for which shall begin on the Participant's Disability Retirement Date, which shall be the first day of the month coincident with or next following 90 days after such disability commenced.
- (2) Whenever an application for a Non-occupational Disability benefit has been filed, the applicant shall submit therewith a signed certificate from a practicing physician, licensed in the state of Georgia, certifying the disability of such applicant for a benefit. Immediately thereupon, the Retirement Board shall order

the applicant to be examined by a physician named by the Board who likewise shall certify the physical ability or disability of the applicant. The Retirement Board may conduct a hearing for the purpose of determining whether benefits hereunder are due the applicant. Such hearing shall be conducted informally by the examination of witnesses for and in opposition to such application, such witnesses to be sworn. The applicant and Retirement Board may be represented by legal counsel, if each so desires. Copies of documents may be received as evidence in lieu of the original, at the discretion of the Board, and affidavits shall be filed with the Board at the time of the hearing. The decision of the Board shall be final as to whether benefits hereunder are due the applicant. The Retirement Board shall have the right at intervals of not less than one year to require an examination of all Participants receiving Non-occupational Disability benefits under the provision of this Plan. In the event any such Participant receiving a Non-occupational disability benefit shall be found, as a result of such examination to no longer qualify as having a Total and Permanent Disability, the Retirement Board may, after hearing evidence thereon and providing an opportunity to such Participant to be heard, remove such Participant from the list of those entitled to a Non-occupational disability benefit. It shall be prerequisite to such removal from said list that such Participant shall be tendered a position with the City having the same or equal pay of that position which such Participant held at the time the Non-occupational Disability benefit was granted. Provided, however, that in the event such Participant receiving a Non-occupational Disability benefit refuses to submit to a physical examination after 30 days notice to report for such examination, the Retirement Board shall withhold payment of his or her benefits until he or she submits to such examination and the Participant shall be deemed to have forfeited his or her benefits during the time of his or her refusal to submit to a physical examination.

Anything herein to the contrary notwithstanding, the Board shall have the right to accept a certificate of disability award by the Social Security Administration as conclusive proof of the Total and Permanent Disability of a Participant in lieu of any and all other evidence herein required.

- (3) The Participant's application for the benefits provided herein must be filed with the Board within 24 months of the commencement of the Participant's disability. Failure by the Participant to comply with this provision shall be cause for the Board to reject the Participant's claim for benefits hereunder. The Board may make an exception to this filing requirement when the Board, in its sole discretion, deems such exception to be appropriate.

(4) *Disability Benefit*

The monthly Non-occupational Disability benefit granted a Participant shall commence on his or her Disability Retirement Date and shall be payable on the first day of each month thereafter during the continuation of the Participant's Total and Permanent Disability. The amount of each monthly Non-occupational Disability benefit shall be based upon the Participant's years of Credited Service,

and shall be determined as specified in Section A2(a) of this Article for Police and Fire Employees and as specified in Section B2(a) of this Article for General Employees, whichever is appropriate, without regard to the Participant's age.

Once the Participant has met the age and service requirements for the retirement benefit at age 55 for Police or Fire Employees as specified in Section A2(a) of this Article or the retirement benefit at age 57 for General Employees as specified in Section B2(a) of this Article, whichever is appropriate, the Participant may elect to change his or her Non-occupational Disability benefit to any one of the forms of benefit specified in Section C7(b)(2) of this Article.

(b) *Survivor Benefit*

- (1) If a Participant receiving a Non-occupational Disability benefit dies and is either not married at the time of his or her death or his or her spouse has waived benefits in accordance with Section C8(a), then his or her designated beneficiary shall receive a monthly Survivor Benefit equal to the benefit the Participant was receiving at the time of his death, until a total of 60 monthly payments have been made to the Participant and the beneficiary and any successor beneficiaries.
- (2) If a Participant receiving a Non-occupational Disability benefit dies before reaching normal retirement age and is married at the time of his or her death, his or her surviving spouse shall receive a monthly survivor benefit unless his or her spouse has waived benefits in accordance with Section C8(a). The amount of benefit payable to the Participant's surviving spouse shall depend on the option elected by said spouse after the Participant's death. Said surviving spouse shall choose 1 of the following 2 options:
 - i. A benefit equal to the monthly benefit the Participant would have received had the Participant retired no earlier than the earliest date he or she could have retired under this Plan, said benefit to be guaranteed payable for 60 monthly payments. In the event the surviving spouse dies prior to receiving 60 monthly payments, his or her Beneficiary shall receive monthly payments in an amount equal to the surviving spouse's benefit, until a total of 60 monthly payments have been made to the surviving spouse and Beneficiary combined. Payments due hereunder to a Beneficiary or a successor Beneficiary shall be as specified in Section C8 of this Article.
 - ii. A benefit first calculated to be equal to the benefit the Participant would have received had the Participant retired no earlier than the earliest date he or she could have retired under this Plan, said benefit then actuarially reduced to reflect the 100% Joint and Survivor benefit option specified in Section C7(b)(2) of this Article.

The monthly survivor benefit shall commence no earlier than the earliest date the Participant could have retired under the Plan had he or she not incurred a Non-occupational Disability, if such date is after the Participant's death.

Otherwise, the monthly survivor benefit shall commence with the first day of the month following the Participant's death, unless the survivor elects to have the benefit commence later than such day when such later commencement may avoid or reduce an actuarial reduction in such benefit.

5. Death Benefits

(a) *When not Eligible to Retire*

If a Participant dies prior to the earliest date on which he or she could have retired under the Plan, the Participant's Beneficiary shall receive a lump sum benefit equal to the Participant's contributions plus interest calculated as specified in Section 6(a) of this Article.

When the named Beneficiary is the surviving spouse of a Participant who was employed by the City at the time of death and who had more than 5 years of Credited Service and who died prior to the earliest date on which he or she could have retired, the surviving spouse may elect not to withdraw the Participant's Retirement Plan contributions plus interest, but instead may elect to receive retirement benefits no earlier than the earliest date on which the Participant could have retired under this Plan. The election of the form of retirement benefits to be paid hereunder shall be made by the surviving spouse from 1 of the following 2 options:

- (1) A benefit equal to the monthly benefit the Participant would have received had the Participant retired no earlier than on the earliest date he or she could have retired under this Plan, said benefit to be guaranteed payable for 60 monthly payments. In the event the surviving spouse dies prior to receiving 60 monthly payments, his or her Beneficiary shall receive monthly payments in an amount equal to the surviving spouse's benefit, until a total of 60 monthly payments have been made to the surviving spouse and Beneficiary combined.

Payments due hereunder to a Beneficiary or a successor shall be as specified in Section C8 of this Article.

- (2) A benefit first calculated to be equal to the benefit the Participant would have received had the Participant retired no earlier than on the earliest date he or she could have retired under this Plan, said benefit then actuarially reduced to reflect the 100% Joint and Survivor benefit option specified in Section C7(b)(2) of this Article.

(b) *When Eligible to Retire*

If a Participant dies after the earliest date on which he or she could have retired under the Plan but before he or she actually retired, the Participant's Beneficiary shall receive one of the following at the Beneficiary's option:

- (1) 60 monthly payments, each of which shall be an amount equal to the monthly benefit the Participant would have received had the participant retired on the day preceding his death.

- (2) A lump sum of the Participant's contributions plus interest calculated as specified in Section 6(a) of this Article.
- (3) When the named Beneficiary is the surviving spouse of a Participant, the surviving spouse may instead of the above, elect to receive a benefit first calculated to be equal to the benefit the Participant would have received had the Participant retired on the day preceding his or her death, said benefit then actuarially reduced to reflect the 100% Joint and Survivor benefit option specified in Section C7(b)(2) of this Article.
- (4) In the event the Participant's contributions plus interest exceed the total benefits available to the Beneficiary, such contributions plus interest shall be paid in a lump sum to the Participant's Beneficiary. The interest hereunder shall be calculated as specified in Section 6(a) of this Article.

6. *Vesting*

(a) *Termination Prior to Five Years of Credited Service*

In the event a Participant shall terminate employment subsequent to his completion of 3 months of Credited Service but prior to his completing 1 or more years of Credited Service, the Participant's contributions to the Fund shall be refunded to the Participant. In the event the Participant shall terminate employment subsequent to the completion of 1 year of Credited Service but prior to the completion of 5 years of Credited Service, the Participant's contributions shall be refunded with interest at rates which shall be from time to time determined by the Retirement Board, but which shall in no event exceed the actuarial rates of interest assumed by the Fund for the years during which the withdrawn contributions were made.

(b) *Termination After Five Years of Credited Service*

In the event a Participant shall terminate employment after completing 5 or more years of Credited Service and should he or she elect not to withdraw his or her contributions to the Fund plus interest (calculated as in Section 6(a) of this Article), the Participant shall be considered fully vested and shall be entitled, upon reaching his or her normal or alternative retirement date, to receive a deferred monthly retirement benefit hereunder. The amount of the deferred monthly retirement benefit shall be determined in accordance with the provisions of the Plan in effect as of the date employment with the City terminates, except to the extent otherwise specifically provided under subsequent Plan amendments or in this Restated Plan and except that Option Factors will apply as set forth in Article XI of this Restated Plan regardless of when employment with the City terminated.

Anything herein to the contrary notwithstanding, a Participant who shall terminate employment with the City shall qualify for a vested deferred benefit under this Article VI. However, if such Participant shall elect a return of his or her contributions to the

Plan plus interest, as herein provided, the Participant shall forfeit all vested rights hereunder. In no event shall a terminating Participant be allowed to receive a return of contribution plus interest and remain entitled to a vested benefit hereunder.

7. *Form of Benefit Payment*

(a) *Standard Forms of Benefit Payment*

(1) *Joint and Surviving Spouse Benefit*

A married Participant who will become eligible for normal or alternative retirement benefits hereunder shall receive a reduced monthly retirement benefit for his or her lifetime, with a continuation upon his or her death after retirement of fifty percent (50%) of said reduced monthly benefit to be received by the Participant's spouse with said continued monthly benefit being for the life of said spouse. In the event said spouse shall predecease the Participant prior to retirement, no benefits or rights or privileges shall inure to the spouse's successors, assigns or estate. In the event the Participant's spouse shall predecease the Participant after the Participant retires with a Joint and Surviving Spouse benefit in effect, the Participant's benefit shall be recalculated as though the life Income with 60 Months Guaranteed Benefit had been elected; said recalculated benefit shall be payable commencing the month following the spouse's death. Payments so made to the Participant shall cease as of the month in which the Participant's death occurs.

(2) *Life Income With 60 Months Guaranteed*

Upon becoming eligible for normal or alternative retirement benefits hereunder, a Participant who is not married or a married Participant who elects this benefit in lieu of the Joint and Surviving Spouse benefit (with proper notarized spousal consent) shall receive monthly benefits payable for the Participant's lifetime, with said monthly benefit being guaranteed payable for a minimum of 60 monthly payments. In the event the Participant dies after retiring but prior to receiving 60 monthly payments, the Participant's Beneficiary shall receive monthly benefits in an amount equal to the Participant's benefit, until a total of 60 monthly payments have been made to the Participant and Beneficiary combined. In the event said Beneficiary shall predecease the Participant, the original designation of Beneficiary by the Participant shall be null and void and the Participant shall be permitted to designate a different beneficiary. Upon the death of the Participant after retirement and the commencement of monthly benefit payments to the Beneficiary, to the extent that any of the 60 guaranteed payments are remaining, said Beneficiary shall be permitted to designate a successor Beneficiary, who shall receive any available payments in the event of said Beneficiary's death. The designation of a successor Beneficiary shall be permitted each time after a new Beneficiary is designated for any payments due hereunder; such payments shall be paid in accordance with Section 8(b) of this Article.

(b) *Optional Forms of Benefit Payment*

In lieu of one of the applicable standard forms of benefit payment provided hereunder, other optional forms of retirement benefits are available to the Participant. Any

election of options by the Participant shall be made in writing prior to the Participant's normal, alternative or delayed retirement date. However, if the Participant is married, his or her spouse must consent in writing to waive all rights to the Joint and Surviving Spouse benefit, such consent to be witnessed by a notary public. An election may be changed with the appropriate consent of the spouse prior to the commencement of benefits. Once benefit payments have commenced, the form of payment elected cannot be changed.

(1) Option 1: Life Income

A Participant who will become eligible for normal or alternative retirement benefits hereunder may, prior to his or her actual retirement date, elect to receive an increased monthly retirement benefit with said increased benefit being guaranteed for the life of the Participant but with all benefits ceasing at death.

(2) Option 2: Joint and Survivor

A Participant who will become eligible for normal or alternative retirement benefits hereunder may, prior to his or her actual retirement date, elect to receive a reduced monthly retirement benefit for the life of the Participant, with a continuation upon his or her death after retirement of one hundred percent (100%) or sixty-six and two-thirds ($66\frac{2}{3}\%$) or fifty percent (50%), said reduced monthly benefit to be received by that person properly designated as the Beneficiary, with said continued monthly benefit being for the life of said Beneficiary. In the event said Beneficiary shall predecease the Participant prior to retirement, this election shall be null and void, and no benefits or rights or privileges shall inure to the Beneficiary's successors, assigns or estate.

In the event the Beneficiary predeceases the Participant after the Participant retires with 1 of the 3 Joint and Survivor benefits in effect, the Participant's benefit shall be recalculated as though the Life Income with 60 Months Guaranteed Benefit had been elected; said recalculated benefit shall be payable commencing the month following the Beneficiary's death. Payment so made to the Participant shall cease as of the month in which the Participant's death occurs. In no event shall election of a Joint and Survivor benefit be allowed when the proposed Beneficiary is, except in the case of the spouse of the Participant, 30 or more years younger than the Participant.

(3) Option 3: Ten Year Certain and Life

A Participant who will become eligible for normal or alternative retirement benefits hereunder may, prior to the Participant's actual retirement date, elect to receive reduced monthly benefits payable for the Participant's lifetime, with said reduced monthly benefits being guaranteed payable for a minimum of 120 monthly payments. In the event the Participant dies after retiring but prior to receiving 120 monthly payments, his or her Beneficiary shall receive monthly benefits in an amount equal to the Participant's benefit, until a total of 120 monthly payments have been made to the Participant and Beneficiary combined. In the event said Beneficiary shall predecease the Participant prior to the Participant's

actual retirement date, this designation of said Beneficiary shall be null and void and the Participant shall be permitted to designate a different Beneficiary. In the event said Beneficiary shall predecease said Participant after the Participant's retirement, the reduction in benefits shall continue and the Participant shall be permitted to designate a different beneficiary. Upon the death of the Participant after he or she retires and the commencement of monthly benefit payments to the Beneficiary, to the extent that any of the 120 guaranteed payments are remaining, said Beneficiary shall be permitted to designate a successor Beneficiary who shall receive any available payments in the event of said Beneficiary's death. The designation of a successor Beneficiary shall be permitted each time after a new designated Beneficiary begins to receive payments hereunder, until such time as no further payments are due.

In no event will any Participant age 75 or older on his or her date of retirement be eligible to elect the option described in this Subsection (3).

(4) *Option 4: Social Security*

A Participant who will become eligible for normal or alternative retirement benefits hereunder may, prior to his or her actual retirement date, elect to have his or her monthly retirement benefits increased from the actual retirement date until that date on which he or she commences to receive Social Security retirement benefits, with the monthly benefits then being decreased from the date of commencement of Social Security retirement benefits so as to, as nearly as is possible, produce a level monthly retirement income over the total years of the Participant's retirement from the standpoint of the combination of retirement benefits payable from both this Plan and Social Security.

(5) *Option 5: Lump Sum*

A Participant who will become eligible for normal or alternative retirement benefits hereunder may, prior to his or her actual retirement date, elect to have his or her monthly retirement benefits reduced by up to ten percent (10%) of said monthly retirement benefits in return for the payment of a lump sum of money at the time the Participant's monthly retirement benefit is first payable. Said benefit reduction must be by an even dollar amount which does not exceed ten percent (10%) of the monthly benefits otherwise payable and it must not result in a lump sum payment of less than \$250 nor more than \$5,000. The calculation for the lump sum payable shall be based on the Participant's age on the effective date of retirement and the amount shall be determined in accordance with appropriate actuarial tables applied on a uniform basis.

8. *Beneficiary*

(a) *Designation of Beneficiary*

All Participants shall, on a form provided for that purpose, designate a person or persons to receive the benefits payable in the event of the death of the Participant. Such person or persons shall be the Beneficiary of the Participant. However, if the Participant is married and designates someone other than a spouse as Beneficiary, said

spouse must consent in writing to waive all rights to receive benefits and such consent must be witnessed by a notary public.

The Participant may from time to time change the Beneficiary by written notice (with proper spousal consent, when a change is being requested to a person other than a spouse) to the Retirement Board. Upon receipt by the Retirement Board of such change, the rights of all previously designated Beneficiaries to receive any benefit under this Plan shall cease.

If a Participant who has named a Beneficiary subsequently marries or remarries, then the new spouse shall automatically become the Beneficiary unless or until said spouse consents in writing to waive all rights to receive benefits and such consent must be witnessed by a notary public.

When a Beneficiary is receiving benefits as specified in Sections C3(b)(2), C4(b)(2)i, C5(a)(1), C5(b)(1), C7(a)(2) or C7(b)(3) of this Article, said Beneficiary shall be permitted to designate a successor Beneficiary to receive any benefits still remaining at his or her death. The designation of such a successor Beneficiary shall be in accordance with all provisions of this Section and shall be permitted in each successive instance when a Beneficiary dies and benefits commence to a successor Beneficiary. In no instance will benefits be paid for any longer period or for any more payments than are specified in this Plan.

(b) *Absence of Beneficiary Designation*

In the event that any Participant shall die without having designated a Beneficiary or in the event that a Participant shall die but the Beneficiary designated by said Participant shall fail to survive the Participant or in the event that other provisions of this Article do not specify who is to be the appropriate Beneficiary, then and in any event, the person who shall be deemed the Beneficiary of the deceased Participant shall be determined as follows:

(1) In the event the deceased Participant is survived by a spouse, such surviving spouse shall be the Beneficiary.

(2) If the deceased Participant is not survived by a spouse, the Beneficiary shall be the deceased Participant's estate.

9. *When Participant is Ineligible to Receive Benefits*

A Participant shall not be entitled to receive any benefits from this Plan while he is receiving any remuneration for services rendered on an employment basis for the City of Savannah. In the event a Participant who is receiving benefits from this Plan, returns to work for the City of Savannah, benefits shall cease to be paid to the Participant. During the period of re-employment, the Participant shall make contributions to the Plan and, upon re-retirement, his benefits shall be recalculated.

However, if a Participant is elected to office or appointed to fill a vacancy in an elective office while receiving benefits under the Plan, he shall choose one of the following options regarding the payment of pension benefits:

- (a) While the Participant is in office, pension benefits shall cease to be paid under the Plan and the Participant shall make contributions to the Plan. Upon re-retirement, benefits shall be recalculated and payments shall commence to be made; or
- (b) The Participant shall continue to receive pension benefits from the Plan. However, he shall not make any additional contributions to the Plan or be entitled to a recalculation of benefits upon re-retirement.

10. *Commencement and Duration of Benefits*

- (b) Retirement and disability benefits determined in accordance with the provisions of this Article shall commence on the first day of the month coincident with or next following the Participant's retirement date and shall be payable on the first day of each month thereafter, in accordance with the form of payment which applies to the benefit to be paid.

11. *Benefit Adjustment*

- (a) As of the Adjustment Date of any Participant or Surviving Beneficiary the benefits received under this Plan by such Participant or surviving Beneficiary shall be increased by five percent (5%). Thereafter, for each additional one year of retirement attained, on the anniversary date of the Participant's or Surviving Beneficiary's Adjustment Date the benefit received under this Plan by the Participant or Surviving Beneficiary shall be increased by an additional one percent (1%).

For purposes of this section the term "Adjustment Date" of any Participant shall mean the first day of the month following the date on which the Participant both 1) attained age 65, and 2) attained five or more years of retirement; except however in the case of a Participant or surviving Beneficiary of a Participant receiving Disability Retirement benefits, the "Adjustment Date" shall mean the first day of the month following the date on which the Participant attained five years of retirement without regard to age. The Adjustment Date for a surviving Beneficiary of a Participant shall be the same date as the related Participant's Adjustment Date.

- (a) A Participant or Surviving Beneficiary who received a three percent (3%) increase in benefit payments in accordance with the provisions of the Plan prior to July 1, 1999, shall receive an additional increase of two percent (2%), effective July 1, 1999 (for a total of five percent), including Non-disability and Disability retirees who were age 65 and had been retired five or more years.

The Adjustment Date for Participants or Surviving Beneficiaries who receive the additional two percent (2%) on July 1, 1999 will become July 1, 1999.

Thereafter, a one-percent (1%) increase shall be provided annually on the anniversary of their Adjustment Date.

- (b) If a Participant or Surviving Beneficiary of a Participant receiving Disability Retirement has received retirement benefits for five years or longer as of July 1, 1999, and has not previously received a three percent (3%) increase, he or she will be entitled to receive a five percent (5%) increase on July 1, 1999. Their Adjustment Date will become July 1, 1999. Thereafter, they will be provided a one percent (1%) increase annually on the anniversary of their adjustment date.
- (c) This Section of the Plan will apply to all Participants, including Participants with vested deferred benefit rights without regard to the date of the Participant's termination, except for the following:
 - (1) Participants who retired under the Plan prior to July 1, 1972 who did not receive benefits based on the 1972 plan provisions, are not eligible for an adjustment under this Plan.
 - (2) Participants who retired after July 1, 1972 under the provisions of the Plan in effect prior to July 1, 1972 are not eligible for an adjustment under this Plan.

12. *Surviving Spouse Benefit for Participants Retired Prior to December 31, 1986*

The surviving spouse of a retired Participant who retired prior to December 31, 1986, and who elected a benefit form which does not provide for a continuing benefit to a survivor, shall be entitled to a monthly benefit of \$120 per month. Such benefit shall be payable beginning on the later of January 1, 1999 or the first day of the month following the date of the death of the Participant, and shall continue until the sooner of the death of the surviving spouse or the remarriage of the surviving spouse.

To qualify for this benefit, the surviving spouse must have been married to the Participant on the date of retirement, and must have been married to the Participant on the date of the Participant's death, and must not be remarried.

**ARTICLE VII
AMENDMENT AND DURATION OF THE PLAN**

A. *Permanency of Plan*

It is the intent of the City that this Plan shall be permanent, but it necessarily reserves the right to terminate the Plan at any time it deems appropriate or necessary.

B. *Amendment of Plan*

The City reserves the right to amend the Plan from time to time as it deems appropriate provided, however, that in no event shall the Plan be amended in a manner which would serve to reduce any benefits accrued, with respect to any Participant, prior to the effective date of such amendment.

ARTICLE VIII NON-ALIENATION OF BENEFITS

A. *Death and Incapacity of Retiree*

In the event of the death of the retired Participant or in the event the Board shall find that he or she is unable to care for his or her affairs because of accident or sickness, any retirement benefits due and payable to the Participant may, unless claim shall have been made therefor by a duly appointed legal representative, be paid to the spouse, a child, a parent or other blood relative, or to any person deemed by the Board to have incurred expense for such retired Participant, and any such payment so made shall constitute a complete discharge of the liabilities of the Plan therefor.

B. *Assignment of Benefits*

Assignment, pledge or other encumbrance of any benefit payable under the Plan shall not be permitted or recognized under any circumstances, nor shall benefits be subject to attachment or legal process for debts of retired or terminated Participants or death beneficiaries, and upon notice of such assignment or attachment of any kind, the benefit shall terminate and shall be applied by the Board as it may deem proper for the benefit of such person, the spouse, children or other dependents, or any of them.

ARTICLE IX TERMINATION OF THE PLAN

A. *Allocation of Funds*

In the event of the discontinuance of the Plan, the assets of the Plan, after providing for expenses, shall be allocated by the Board, to the extent they shall be sufficient, for the purpose of paying retirement benefits, the amount of which shall be computed on the basis of Credited Service to the date of discontinuance of the Plan, to participant groups in the order of preference noted below. The allocation of funds for each group in order of precedence shall be in an equal manner for all Participants in the group, pro-rata in case funds are insufficient for a given group on the basis of benefit.

1. To provide the retirement benefits of Participants who shall have retired under the Plan prior to its discontinuance, without reference to the order of retirement, and to provide for death benefits for those eligible therefor in this group.
2. To provide immediate normal retirement benefits to eligible General Employees age 57 or older and eligible Police or Fire Employees age 55 or older on the date of discontinuance of the Plan (but only to those determined to be eligible for such benefits of the Plan prior to such date of discontinuance), without reference to the order in which they shall have attained their normal retirement ages of 57 and 55,

respectively, and to provide for death benefits for those eligible therefor in this group.

3. To provide Occupational and Non-occupational Disability Benefits to Participants who shall have applied for such benefits prior to the date of discontinuance of the Plan and who are determined to be eligible for such benefits under the applicable provisions of the Plan prior to such date of discontinuance, without reference to the order in which they filed application or met eligibility requirements, and to provide death benefits for those eligible therefor in this group.
4. To provide normal retirement benefits upon attainment of normal retirement age to eligible General Employees age 52 or older but less than age 57 on the date of discontinuance of the Plan and to eligible Police or Fire Employees age 50 or older but less than age 55 on the date of discontinuance of the Plan, without reference to the order in which they shall reach ages 57 and 55, respectively, and to provide death benefits for those eligible therefor in this group.
5. To provide normal retirement benefits upon attainment of normal retirement age to eligible General Employees age 45 or older but less than age 52 on the date of discontinuance of the Plan and to eligible Police or Fire Employees age 43 or older but less than age 50 on the date of discontinuance of the Plan, without reference to the order in which they shall reach ages 57 and 55, respectively.
6. To provide normal retirement benefits upon attainment of normal retirement age to eligible General Employees below the age of 45 on the date of discontinuance of the Plan and to eligible Police or Fire Employees below the age of 43 on the date of discontinuance of the Plan, without reference to the order in which they shall reach ages 57 and 55, respectively.

B. Credited Service

For the purpose of determining whether or not a Participant has, on the effective date of discontinuance of the Plan, completed sufficient years of Credited Service to be eligible to receive a retirement benefit under the provisions of Subsections 4., 5. and 6. of Section A of this Article IX (but for no other purpose and in particular not for the purpose of determining the amount of such benefit), each Participant who is a General Employee and who on such date is less than age 57 shall receive credit as though his or her period of service included the period from the date of discontinuance of the Plan to his or her fifty-seventh birthday. Similarly, each Participant who is a Police or Fire Employee and who on such date is less than age 55 shall receive credit as though his or her period of service included the period from the date of discontinuance of the Plan to his or her fifty-fifth birthday.

C. Terminated - Vested Participants

Terminated Participants with vested rights under the Plan shall be included in the allocation specified in Section A of this Article IX in their appropriate groups except that, within each group, non-terminated Participants and retired Participants shall have precedence in the distribution of benefits. The Board and the City shall make reasonable effort to locate said

terminated Participants. If, at the end of 1 year from the date of discontinuance of the Plan any such terminated Participants have not been located, their rights shall stand forfeited and the distribution as provided in this Article shall thereupon take place.

D. *Funding of Benefits to be Provided*

The allocation of funds and the provision of benefits, as provided by this Article, shall be accomplished through the purchase of annuity contracts, provided however, that the Board upon finding that this is not practicable or desirable under the circumstances in the case of some or all of the groups listed in Section A of this Article IX, may, with the unanimous consent of all of each affected group's members, provide for allocation of a part or all of the assets of the Plan as cash payments of equivalent actuarial value to any or all of such groups, provided, however, that no change shall be affected in the order of precedence and the basis for allocation herein established.

E. *No Reversion of Assets to City*

In no event, whether upon termination of the Plan or otherwise, shall any part of the assets of this Plan, other than such part as may be necessary to pay the expenses of the Plan, be used for or diverted to any purpose or purposes other than the exclusive use of the Participants covered by the Plan and their Beneficiaries.

ARTICLE X TRANSITION PROVISIONS

A. *Retired Employees*

All Employees who have retired and who are receiving retirement benefits from the City of Savannah under retirement plans existing prior to the Effective Date of this Plan shall continue to receive such benefits out of the general fund of the City of Savannah.

B. *Employees Eligible for Retirement Under Prior Plans*

Employees who are eligible to retire on or before the Effective Date of this Plan under provisions of retirement plans existing prior to the Effective Date of this Plan may elect to retire or participate in the Plan in accordance with provisions of Section A, Article IV herein.

C. *Refund of Contributions to Predecessor Plan*

Police, Fire and General Employees who elected to participate in this Plan were to be refunded the full amount of their contributions to the retirement plan under which they were covered prior to the Effective Date of this Plan.

ARTICLE XI OPTION FACTORS

A. Base Benefit Form

The Plan provisions referenced in 1. and 2. below determine this Plan's retirement benefits when benefits are paid in the Life Income with 60 months Guaranteed form of benefit, as specified in Section C7(a)(2) of Article VI herein. For purposes of this Article XI, the Life Income with 60 months Guaranteed form of benefit shall be referred to as the Base Benefit Form.

1. For Police or Fire Employees

(a) Benefit upon retirement at 55 with at least 5 years of Credited Service: Article VI, Section A2(a).

(a) Benefit upon alternative retirement at age 50 with at least 10 years of Credited Service: Article VI, Section A2(b).

2. For General Employees

(a) Benefit upon retirement at age 57 with at least 5 years of Credited Service: Article VI, Section B2(a).

(a) Benefit upon alternative retirement at age 52 with at least 10 years of Credited Service: Article VI, Section B2(b).

B. Joint and Surviving Spouse Benefit

When the Joint and Surviving Spouse benefit form is applicable, the factors to be applied to the Base Benefit shall be as follows:

1. Non-Disability Retirement

The factor shall be 91% plus .4% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .4% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

2. Non-Occupational Disability

The factor shall be 83% plus .4% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .4% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

C. Other Benefit Forms

When other forms of benefit are applicable or are elected by Participants and Beneficiaries, as specified in the provisions of this Plan, certain factors shall be applied to the Base Benefit Form in order to determine the proper amount of benefit to be paid. These factors shall be calculated on the basis of actuarial equivalency. Said factors shall be determined and applied on a non-discriminatory basis.

D. Life Income Benefit

When the Life Income benefit is elected, the factors to be applied to the Base Benefit Form shall be as follows:

<u>Age at Benefit Commencement</u>	<u>Factor</u>	<u>Age at Benefit Commencement</u>	<u>Factor</u>
45	1.0022	68	1.0345
46	1.0026	69	1.0393
47	1.0029	70	1.0445
48	1.0033	71	1.0502
49	1.0038	72	1.0562
50	1.0043	73	1.0628
51	1.0048	74	1.0702
52	1.0054	75	1.0790
53	1.0060	76	1.0894
54	1.0067	77	1.1014
55	1.0074	78	1.1149
56	1.0082	79	1.1299
57	1.0091	80	1.1462
58	1.0102	81	1.1640
59	1.0114	82	1.1833
60	1.0128	83	1.2043
61	1.0143	84	1.2270
62	1.0161	85	1.2514
63	1.0182	86	1.2777
64	1.0206	87	1.3060
65	1.0234	88	1.3367
66	1.0266	89	1.3698
67	1.0303	90	1.4056

E. 50% Joint and Survivor Benefit

When the 50% Joint and Survivor benefit form is elected, the factors to be applied to the Base Benefit form shall be as follows:

1. Non-Disability Retirement

- (a) The factor shall be 91% plus .4% for each full year that the Beneficiary's age is greater than the Employee's age benefit commencement or minus .4% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

2. Non-Occupational Disability

- (a) The factor shall be 83% plus .4% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .4% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

F. 66 2/3% Joint and Survivor Benefit

When the 66 2/3% Joint and Survivor benefit is elected, the factors to be applied to the Base Benefit form shall be as follows:

1. Non-Disability Retirement

- (a) The factor shall be 88% plus .5% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .5% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

2. Non-Occupational Disability

- (a) The factor shall be 77% plus .5% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .5% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

G. 100% Joint and Survivor Benefit

When the 100% Joint and Survivor benefit is elected, the factors to be applied to the Base Benefit form shall be as follows:

1. Non-Disability Retirement

- (a) The factor shall be 83% plus .6% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .6% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

2. Non-Occupational Disability

- (a) The factor shall be 68% plus .5% for each full year that the Beneficiary's age is greater than the Employee's age at benefit commencement or minus .5% for each full year that the Beneficiary's age is less than the Employee's age at benefit commencement. The maximum factor shall be 99%.

H. Ten Year Certain and Life Benefit

When the Ten Year Certain and Life benefit is elected, the factors to be applied to the Base Benefit Form shall be as follows:

<u>Age at Benefit Commencement</u>	<u>Factor</u>	<u>Age at Benefit Commencement</u>	<u>Factor</u>
45	.9932	60	.9666
46	.9923	61	.9627
47	.9914	62	.9584
48	.9904	63	.9535
49	.9893	64	.9481
50	.9881	65	.9421

51	.9868	66	.9357
52	.9854	67	.9287
53	.9838	68	.9213
54	.9821	69	.9134
55	.9802	70	.9050
56	.9781	71	.8960
57	.9757	72	.8865
58	.9730	73	.8762
59	.9700	74	.8652

Note: This form of benefit is not available to Participants age 75 or older.

I. Social Security Benefit

When the Social Security benefit is elected, the factors to be applied to the form of benefit otherwise elected shall be as follows:

1. When Age 62 is Assumed to be Commencement of Social Security Retirement Benefits

<u>Age at Benefit Commencement</u>	<u>Factor</u>
50	.3273
51	.3564
52	.3885
53	.4240
54	.4634
55	.5071
56	.5558
57	.6101
58	.6708
59	.7390
60	.8156
61	.9021

Example

A Participant retires at age 55 with a monthly retirement benefit of \$400 and an assumed Social Security retirement benefit, beginning at age 62, of \$200. The Participant receives from the Plan a benefit of $\$400 + (\$200 \times .5071)$ or \$501.42 until he or she reaches age 62. At age 62, he or she begins receiving \$200 from Social Security and the Plan's benefit is reduced by \$200 to \$301.42.

2. When Age 65 is Assumed to be Commencement of Social Security Retirement Benefits

<u>Age at Benefit Commencement</u>	<u>Factor</u>
50	.2369
51	.2580
52	.2812
53	.3069
54	.3354
55	.3670
56	.4022
57	.4414
58	.4853
59	.5346
60	.5900
61	.6525
62	.7232
63	.8035
64	.8951

Example

A Participant retires at age 55 with a monthly retirement benefit of \$400 and an assumed Social Security retirement benefit, beginning at age 65, of \$200. The Participant receives from the Plan a benefit of $\$400 + (\$200 \times .3670)$ or \$473.40 until he or she reaches age 65. At age 65, he or she begins receiving \$200 from Social Security and the Plan's benefit is reduced by \$200 to \$273.40.

J. Lump Sum Benefit

When the Lump Sum benefit is elected, the factors to be applied to the form of benefit otherwise elected shall be as follows:

<u>Age at Benefit Commencement</u>	<u>Factor</u>	<u>Age at Benefit Commencement</u>	<u>Factor</u>
50	142.8753	70	97.5958
51	141.1226	71	95.1131
52	139.3128	72	92.6596
53	137.4444	73	90.2299
54	135.5153	74	87.8219
55	133.5232	75	85.4425
56	131.4666	76	83.1053
57	129.3444	77	80.8324

58	127.1550	78	78.6489
59	124.8992	79	76.5667
60	122.5843	80	74.5853
61	120.2160	81	72.7065
62	117.7982	82	70.9268
63	115.3343	83	69.2432
64	112.8293	84	67.6566
65	110.2932	85	66.1666
66	107.7401	86	64.7706
67	105.1848	87	63.4639
68	102.6388	88	62.2418
69	100.1066	89	61.0980
		90	0.0272

Example

A Participant retires at age 55 with a monthly retirement benefit of \$400. The Participant elects to reduce the monthly retirement benefit by 8% or \$32.00, so that he or she will receive a monthly payment of \$368. The Participant receives from the Plan a Lump Sum benefit of $\$32 \times 133.5232$ or \$4,272.74, which is permissible because it is more than the \$250 minimum and less than the \$5,000 maximum stated in Article VI, Section 7(b)(5) herein.

**ARTICLE XII
MAXIMUM BENEFITS**

Notwithstanding any other provision of this Plan, the annual pension with respect to any Participant shall not exceed the limitations as prescribed in Section 415 of the Internal Revenue Code and the regulations thereunder.

**ORDINANCE
ENTITLED**

AN ORDINANCE TO AMEND THE CHARTER OF THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH, GEORGIA, TO AMEND THE PENSION PLAN ADOPTED AND APPROVED JUNE 8, 1972, AS AMENDED AND RESTATED, AND CODIFIED AS APPENDIX IV OF DIVISION I OF THE 2003 CITY CODE, AS AMENDED, TO PROVIDE FOR A TEMPORARY RETIREMENT INCENTIVE PROGRAM; TO PROVIDE FOR ADDITIONAL OPTIONS UNDER THE SOCIAL SECURITY OPTIONAL FORM OF BENEFIT; TO PROVIDE A TABLE OF FACTORS FOR THE SOCIAL SECURITY OPTIONAL FORM OF BENEFIT; TO PROVIDE FOR A REVISED DEFINITIONS; TO PROVIDE FOR COORDINATION OF CITY FUNDED WORKER'S COMPENSATION BENEFITS WITH OCCUPATIONAL DISABILITY PENSION BENEFITS; TO PROVIDE FOR REFUND OF EMPLOYEE PENSION CONTRIBUTIONS WHEN EMPLOYMENT TERMINATES WITH LESS THAN 5 YEARS OF SERVICE; TO PROVIDE FOR REVISED PROVISIONS FOR RE-EMPLOYMENT; AND TO REPEAL ALL ORDINANCES IN CONFLICT HERWITH AND FOR OTHER PURPOSES

BE IT ORDAINED by the Mayor and Aldermen of the City of Savannah, Georgia, in regular meeting of Council assembled, and pursuant to lawful authority, thereof, and after proper notice and advertisement in accordance with O.C.G.A. 36-35-3 that the Charter of the City of Savannah be amended by amending the City of Savannah Employees' Retirement Plan as follows:

SECTION 1

- A. The Plan is amended by adding the following new article to be designated Article XIII – Temporary Retirement Incentive Program which shall be as follows:

**"Article XIII
Temporary Retirement Incentive Program
January 1, 2011 through April 1, 2011**

- A. The following provisions shall apply solely for the temporary period of January 1, 2011 through April 1, 2011 and collectively these provisions may be referred to as the "Temporary Retirement Incentive Program" or "TRIP". Participation in the TRIP shall be voluntary on the part of Plan Participants.

1. To participate in the TRIP, a Plan Participant must elect a Retirement Date of one of the following four dates: January 1, 2011, February 1, 2011, March 1, 2011 or April 1, 2011. Such election and application to retire must be filed on forms prescribed by the Retirement Administrator on or before a date specified by the Retirement Administrator.
 2. Police or Fire Employees who have attained age 55, or General Employees who have attained age 57, on their selected Retirement Date (as provided in the section XIII.A.1. above), and who have 5 or more years of actual service on such date shall be eligible for additional TRIP Service Credit. The amount of additional TRIP Service Credit shall be equal to one month of TRIP Service Credit for each year of actual service up to a maximum of 3 years of additional TRIP Service Credit. Computation of benefits under Article VI hereof shall be based on the sum Service Credit provided by the provisions of this Plan plus the additional TRIP Service Credit provided in this sub-section.
 3. Police or Fire Employees who have attained age 50, or General Employees who have attained age 52, on their selected Retirement Date (as provided in section XIII.A.1. above), and who have 10 or more years of actual service on such date shall not be subject to the alternate retirement benefit reduction provided in section VI.A.2.(b)(2) in the case of Police and Fire Employees, or section VI.B.2.(b)(2) in the case of General Employees.
 4. For eligible Participants electing to retire on a date enumerated in section XIII.A.1. above, the \$5,000 maximum for lump sum payments provided in section VI.C.7(b)(5) – *Option 5: Lump Sum* is waived. Lump-sum payment however shall continue to be limited to the actuarial equivalent of 10% of the monthly retirement benefit.
 5. Eligible Participants-electing to retire on a date enumerated in section XIII.A.1. shall receive an additional lump-sum benefit under the Plan equal to the value of accrued vacation computed in the City's customary manner for separating employees as provided by the City's Pay Policies. Said Plan benefit shall be in lieu of receiving payment from the City for the value of accrued vacation at the time of separation.
- B. The provisions of this Article XIII shall apply solely to Plan Participant who have elected a Retirement Date enumerated in section XIII.A.1."

- B. Amend Article II, Definitions, A. Section 3. "Police or Fire Employees" by striking said subsection and inserting in lieu thereof the following:

"3. "Police or Fire Employee" shall mean any person who, on or after the Effective Date of this Plan, is employed by the City as a Full-time Employee and as a law enforcement officer or firefighter.

A Police or Fire Employee with 15 or more years of credited service as a Police or Fire Employee who moves to a General Employee position due to an injury arising out of his/her employment with the City which disqualifies him/her to serve as a Police or Fire Employee, shall be deemed a Police or Fire Employee for purposes of determining eligibility for early and normal retirement under this Plan. "

- C. Amend Article VI, Benefits, C. All Employees, Section 7, Form of Benefit Payment, subsection (b)(4) Option 4 – Social Security by striking said subsection and inserting in lieu thereof the following:

(4) Option 4: Social Security

A Participant who will become eligible for normal or alternative retirement benefits hereunder may, prior to his or her actual retirement date, elect to have his or her monthly retirement benefits increased from the actual retirement date until the date on which he or she elects to plan to commence receiving Social Security retirement benefits, with the monthly benefits under this Plan then being decreased from such date elected, so as to, as nearly as is possible, produce a level monthly retirement income over the total years of the Participant's retirement from the standpoint of the combination of retirement benefits payable from both this Plan and Social Security. For the purpose of selecting this option and the determination of the benefit under this Plan, the Participant may elect to choose as his or her planned Social Security retirement commencement date from the following ages:

62 years	66 years
63 years	66, 2 months
64 years	66, 4 months
65 years	66, 6 months
65, 2 months	66, 8 months

65, 4months	66, 10 months
65, 6 months	67 years
65, 8 months	
65, 10 months	

D. Amend Article XI, Option Factors, I. Social Security Benefit by striking said subsection and inserting in lieu thereof the following:

"I. Social Security Benefits

When the Social security benefit is elected, the factors to be applied to the form of benefit otherwise elected shall be as follows:

<u>Age at Benefit Commencement (Down)</u>	<u>Factors (based on planned age for commencement of Social Security)</u>							
	62 y	63 y	64 y	65 y	65y 2m	65y 4m	65y 6m	65y 8m
50	0.3272	0.2946	0.1646	0.2369	0.2327	0.2285	0.2243	0.2200
51	0.3564	0.3208	0.2881	0.2580	0.2534	0.2488	0.2442	0.2396
52	0.3885	0.3497	0.3140	0.2812	0.2762	0.2712	0.2662	0.2611
53	0.4240	0.3817	0.3427	0.3069	0.3014	0.2959	0.2905	0.2850
54	0.4634	0.4171	0.3745	0.3354	0.3294	0.3234	0.3175	0.3115
55	0.5071	0.4564	0.4098	0.3670	0.3605	0.3539	0.3474	0.3408
56	0.5558	0.5003	0.4491	0.4022	0.3949	0.3878	0.3806	0.3734
57	0.6101	0.5491	0.4930	0.4414	0.4336	0.4257	0.4178	0.4099
58	0.6708	0.6038	0.5421	0.4853	0.4767	0.4680	0.4594	0.4507
59	0.7390	0.6651	0.5971	0.5346	0.5250	0.5155	0.5059	0.4963
60	0.8156	0.7341	0.6590	0.5900	0.5795	0.5689	0.5584	0.5478
61	0.9021	0.8119	0.7288	0.6525	0.6408	0.6291	0.6175	0.6058
62	--	0.900	0.8078	0.7232	0.7103	0.6973	0.6844	0.6714
63	--	--	--	0.8035	0.7892	0.7748	0.7604	0.7460
64	--	--	--	0.8951	0.8792	0.8631	0.8471	0.8310
65	--	--	--	--	0.9821	0.9642	0.9463	0.9283
66	--	--	--	--	--	--	--	--

Age at Benefit Commence ment (Down)	Factors (based on planned age for commencement of Social Security)							
	65y 10m	66y 0m	66y 2m	66y 4m	66y 6m	66y 8m	66y 10m	67y 0m
50	0.2158	0.2116	0.2077	0.2038	0.2000	0.1961	0.1922	0.1883
51	0.2350	0.2304	0.2262	0.2220	0.2178	0.2135	0.2093	0.2051
52	0.2561	0.2511	0.2465	0.2419	0.2373	0.2327	0.2281	0.2235
53	0.2795	0.2740	0.2690	0.2640	0.2590	0.2540	0.2490	0.2440
54	0.3055	0.2995	0.2940	0.2885	0.2831	0.2776	0.2721	0.2666
55	0.3343	0.3277	0.3217	0.3157	0.3097	0.3036	0.2976	0.2916
56	0.3663	0.3591	0.3525	0.3459	0.3394	0.3328	0.3262	0.3196
57	0.4020	0.3941	0.3869	0.3796	0.3724	0.3652	0.3579	0.3507
58	0.4420	0.4333	0.4254	0.4174	0.4095	0.4015	0.3936	0.3856
59	0.4868	0.4772	0.4685	0.4597	0.4510	0.4422	0.4335	0.4247
60	0.5373	0.5267	0.5170	0.5074	0.4977	0.4880	0.4784	0.4687
61	0.5941	0.5824	0.5717	0.5610	0.5504	0.5397	0.5290	0.5183
62	0.6585	0.6455	0.6337	0.6218	0.6100	0.5981	0.5863	0.5744
63	0.7316	0.7172	0.7040	0.6909	0.6777	0.6645	0.6514	0.6382
64	0.8150	0.7989	0.7842	0.7696	0.7549	0.7402	0.7256	0.7109
65	0.9104	0.8925	0.8761	0.8597	0.8433	0.8268	0.8104	0.7940
66	--	--	0.9816	0.9632	0.9448	0.9264	0.9080	0.8896

Examples

1. A Participant retires at age 55 with a monthly retirement benefit of \$400 and elects to plan to receive Social Security at age 62. The projected Social Security benefit beginning at age 62 is \$200. The Participant receives from the Plan a benefit of $\$400 + (\$200 \times 0.5071)$ or \$501.42 until he or she reaches age 62. At age 62 the Plan's benefit is reduced by \$200 to \$301.42, at which point the Participant is eligible to receive the projected Social Security benefit of \$200.

2. A Participant retires at age 61 with a monthly retirement benefit of \$1,000 and elects to plan to receive Social Security at age 65 years and 8 months. The projected Social Security benefit beginning at age 65 years and 8 months is \$900. The Participant receives from the Plan a benefit of $\$1,000 + (900 \times 0.6058)$ or \$1,545.22 until he or she reaches age 65 years and 8 months. At age 65 years and 8 months the Plan's benefit is reduced by \$900 to \$645.22, at which point the Participant is eligible to receive the projected Social Security benefit of \$900."

- E. Amend Article VI, Benefits, C. All Employees, Section 9, *When Participant is Ineligible to Receive Benefits*, by striking said subsection and inserting in lieu thereof the following:

"9. *Re-employment of Retired Participant*

If a Participant is elected to office, or appointed to fill a vacancy in an elected office, or re-employed by the City while receiving benefits under the Plan, he shall choose one of the following options regarding the payment of pension benefits:

- (a) While the Participant is in office or is re-employed, pension benefits shall cease to be paid under the plan and the Participant shall make contributions to the Plan. Upon re-retirement, benefits shall be recalculated and payment shall commence to be made; or
- (b) The Participant shall continue to receive pension benefits from the Plan. However, the Participant shall not make any additional contributions to the Plan, shall not receive additional Service Credit under the Plan, and shall not be entitled to a recalculation of benefits upon re-retirement."

F. Amend Article II, Definitions, A. Section 16. "Total and Permanent Disability" by striking said subsection and inserting in lieu thereof the following:

"16. *"Total and Permanent Disability"* shall mean a disability, the medical prognosis of which is that it shall be both total and permanent and which thereby prevents an Employee from engaging in his or her duties as an Employee of the City, or those of any occupation for which he may be suited by reason of experience, training or education."

G. Amend Article VI- Benefits, Section C. – All Employees, 3. Occupational Disability Benefit, Sub-section (4) by adding the following new sub-paragraph iii:

"iii. The occupational disability benefits described in sub-sections i and ii above, shall be off-set by the amount of disability benefits funded by the City and paid to the Participant under the worker's compensation provisions of the state code. Periodic worker's compensation disability payments shall off-set the occupational pension disability benefits on a dollar for dollar basis. Lump-sum disability worker's compensation settlements shall be converted to an actuarial monthly equivalent by the Plan actuary and offset against future occupational pension disability benefits. "

H. Amend Article VI – Benefits, Section C – All Employees, 6. – Vesting, (a).
Termination Prior to Five years of Credited Service by striking said subsection
and inserting in lieu thereof the following:

"(a) Termination Prior to Five Years of Credited Service

In the event a Participant shall terminate employment prior to the completion of 5 years of Credited Service, the Participant's contributions shall be refunded with interest at rates which shall be from time to time determined by the Retirement Board, but which shall in no event exceed the actuarial rates of interest assumed by the Fund for the years during which the withdrawal contributions were made."

SECTION 2

The City of Savannah Employees' Retirement Plan amends set forth herein shall be effective for all purposes as of January 1, 2011.

SECTION 3

All Charter, Code provisions, Ordinances and Laws not in conflict herewith shall continue in full force and effect, but where in conflict, are hereby repealed.

7

**ORDINANCE
ENTITLED**

AN ORDINANCE TO AMEND THE CHARTER OF THE MAYOR AND ALDERMAN OF THE CITY OF SAVANNAH, GEORGIA, TO AMEND THE PENSION PLAN ADOPTED AND APPROVED JUNE 8, 1972, AS AMENDED AND RESTATED, AND CODIFIED AS APPENDIX IV OF DIVISION I OF THE 2003 CITY CODE, AS AMENDED, TO CEASE PARTICIPATION FOR EMPLOYEES HIRED OR REHIRED BY THE SAVANNAH AIRPORT COMMISSION ON OR AFTER JANUARY 1, 2019; TO ALLOW QUALIFIED DISTRIBUTIONS TO RETIRED PUBLIC SAFETY OFFICERS; TO INCORPORATE APPLICABLE LAW; AND TO REPEAL ALL ORDINANCES IN CONFLICT HEREWITH AND FOR OTHER PURPOSES

BE IT ORDAINED by the Mayor and Alderman of the City of Savannah, Georgia, in regular meeting of Council assembled, and pursuant to lawful authority thereof, and after proper notice and advertisement in accordance with O.C.G.A. Section 36-35-3 that the Charter of the City of Savannah be amended by amending the City of Savannah Employees' Retirement Plan (the "Plan") as follows:

SECTION 1

- A. Amend Article IV, Eligibility to Participate, is amended by adding the following new Paragraph E, Savannah Airport Commission Employees:

"E. Savannah Airport Commission Employees

Notwithstanding any other provision of this Plan to the contrary, effective January 1, 2019, Savannah Airport Commission, an agency of the City, shall cease its participation in the Plan for any employees hired or rehired by the Savannah Airport Commission on or after January 1, 2019. Further, any Participant who terminates employment with the City or any other agency participating in the Plan, including the Savannah Airport Commission, with or without a vested benefit under the Plan and is later re-employed by the Savannah Airport Commission on or after January 1, 2019, shall not be entitled to resume participation in the Plan and shall not be entitled to accrued additional Credited Service under the Plan."

- B. Amend Article III, Administration of Plan, is amended by adding the following new Paragraph D, Governing Law:

"D. Governing Law

The Plan shall be governed by the laws of Georgia, including the conformity to Federal law provisions in Article 6 of Title 47 of the Official Code of Georgia, O.C.G.A. Section 47-1-80 et seq. (which are hereby incorporated herein by reference), and the Public

Retirement Systems Standards Law, O.C.G.A. Section 47-20-1 et seq. It is the intent of the City that this Plan be maintained as a qualified governmental pension plan under the applicable provisions of the Internal Revenue Code, and any ambiguities in the construction hereof shall be interpreted in order to effectuate such intent.”

- C. Amend Article VI, Benefits, Paragraph C, All Employees, by adding the following new Section 13:

“13. *Qualified Distributions for Retired Public Safety Officers.*

(a) A Participant who is an eligible retired public safety officer may elect, after separation from service, to have qualified health insurance premiums for coverage for such Participant, the Participant’s spouse, and the Participant’s dependents (as defined in Internal Revenue Code Section 152) under a City sponsored medical insurance plan deducted from amounts to be distributed from the Plan that would otherwise be includible in gross income, and to have such amounts paid directly to the insurer or group health plan. The distribution shall be excluded from the Participant’s gross income to the extent that the aggregate amount of the distribution does not exceed the lesser of the amount used to pay the qualified health insurance premiums of the Participant, the Participant’s spouse, and the Participant’s dependents, or \$3,000, determined by aggregating all distributions with respect to the Participant that are used to pay qualified health insurance premiums from all eligible retirement plans of the City as defined in Internal Revenue Code Section 414(d).

(b) For purposes of this Section, the term “eligible retired public safety officer” means an individual who separated from service, either by reason of disability or after attainment of Normal Retirement Age, as a public safety officer with the City. For this purpose, a public safety officer generally is an individual serving the City in an official capacity, with or without compensation, as a law enforcement officer, a firefighter, a chaplain, or a member of a rescue squad or ambulance crew. Any elections and distributions made under this Section shall be made in a manner consistent with the requirements and limits contained in Internal Revenue Code Section 402(l) and any applicable guidance issued thereunder.”

SECTION 2

The City of Savannah Employees’ Retirement Plan amends set forth herein shall be effective for all purposes as of January 1, 2019.

SECTION 3

All Charter, Code provisions, Ordinances and Laws not in conflict herewith shall continue in full force and effect, but where in conflict, are hereby repealed.

**NOTICE OF PROPOSED AMENDMENT
TO THE CHARTER OF THE CITY OF SAVANNAH**

Notice is hereby given that an Ordinance has been introduced to amend the Charter of the City of Savannah, said Ordinance being captioned as follows:


AN ORDINANCE TO AMEND THE CHARTER OF THE MAYOR AND ALDERMAN OF THE CITY OF SAVANNAH, GEORGIA, TO AMEND THE PENSION PLAN ADOPTED AND APPROVED JUNE 8, 1972, AS AMENDED AND RESTATED, AND CODIFIED AS APPENDIX IV OF DIVISION I OF THE 2003 CITY CODE, AS AMENDED, TO CEASE PARTICIPATION FOR EMPLOYEES HIRED OR REHIRED BY THE SAVANNAH AIRPORT COMMISSION ON OR AFTER JANUARY 1, 2019; TO ALLOW QUALIFIED DISTRIBUTIONS TO RETIRED PUBLIC SAFETY OFFICERS; TO INCORPORATE APPLICABLE LAW; AND TO REPEAL ALL ORDINANCES IN CONFLICT HERewith AND FOR OTHER PURPOSES

A copy of the proposed Ordinance and Charter Amendment is on file in the Office of the Clerk of the City of Savannah and in the Offices of the clerks of the Superior Court of Chatham County, Georgia for the purpose of examination and inspection by the public.

This ____ day of November, 2018.

Luciana Spracher
Acting Clerk of Council

ADOPTED AND APPROVED: December 6, 2018


MAYOR

ATTEST:


ACTING CLERK OF COUNCIL



**ORDINANCE
ENTITLED**

**AN ORDINANCE TO AMEND THE CHARTER OF THE
MAYOR AND ALDERMAN OF THE CITY OF SAVANNAH,
GEORGIA, TO AMEND THE PENSION PLAN ADOPTED
AND APPROVED JUNE 8, 1972, AS AMENDED AND
RESTATED, AND CODIFIED AS APPENDIX IV OF
DIVISION I OF THE 2003 CITY CODE, AS AMENDED, TO
UPDATE DISABILITY DETERMINATION PROVISIONS;
TO REQUIRE A RETIREE'S PENSION BENEFITS TO BE
SUSPENDED UPON RE-EMPLOYMENT; TO
INCORPORATE APPLICABLE LAW; AND TO REPEAL
ALL ORDINANCES IN CONFLICT HEREWITH AND FOR
OTHER PURPOSES**

BE IT ORDAINED by the Mayor and Alderman of the City of Savannah, Georgia, in regular meeting of Council assembled, and pursuant to lawful authority thereof, and after proper notice and advertisement in accordance with O.C.G.A. Section 36-35-3 that the Charter of the City of Savannah be amended by amending the City of Savannah Employees' Retirement Plan (the "Plan") as follows:

SECTION 1

- A. Amend Article II, Definitions, A. Section 16, *Total and Permanent Disability*, by adding a new sentence to the end of such section as follows:

"Notwithstanding the foregoing, for determining if a Participant has incurred a Total and Permanent Disability on or after January 1, 2023, Total and Permanent Disability shall mean (i) eligible for disability benefits by the Social Security Administration, as evidenced by certificate of disability award by the Social Security Administration, or (ii) eligible for disability benefits under the City's long-term disability plan, as determined by the long-term disability plan provider."

- B. Amend Article VI, Benefits, C. All Employees, Section 3, *Occupational Disability Benefit*, (a) *Participant's Benefit*, by adding a new subsection (6) as follows:

"(6) Notwithstanding any provision of the Plan to the contrary, for determining if a Participant has incurred a Total and Permanent Disability on or after January 1, 2023, a Participant should only be considered Total and Permanent Disability if the Participant is determined to be (i) eligible for disability benefits by the Social Security Administration, as evidenced by certificate of disability award by the Social Security Administration, or (ii) eligible for disability benefits under the City's long-term disability plan, as determined by the long-term disability plan provider. For the avoidance of doubt, the provisions of Section C3(a)(2) of this Article shall no longer apply."

- C. Amend Article VI, Benefits, C. All Employees, Section 4, *Non-occupational Disability Benefit*, (a) *Participant's Benefit*, by adding a new subsection (5) as follows:

“(5) Notwithstanding any provision of the Plan to the contrary, for determining if a Participant has incurred a Total and Permanent Disability on or after January 1, 2023, a Participant should only be considered Total and Permanent Disability if the Participant is determined to be (i) eligible for disability benefits by the Social Security Administration, as evidenced by certificate of disability award by the Social Security Administration, or (ii) eligible for disability benefits under the City’s long-term disability plan, as determined by the long-term disability plan provider. For the avoidance of doubt, the provisions of Section C4(a)(2) of this Article shall no longer apply.”

- D. Amend Article VI, Benefits, C. All Employees, Section 9, *Re-employment of Retired Participant*, by deleting such subsection and substituting therefor the following:

“9. *Re-employment of Retired Participant*

Except as provided in the paragraph below, for re-employments on and after January 1, 2023, a Participant shall not be entitled to receive any benefits from this Plan while he is receiving any remuneration for services rendered on an employment basis for the City. In the event a Participant who is receiving benefits from the Plan is re-employed and returns to work for the City, the Participant’s pension benefits shall cease to be paid to the Participant under the Plan. During the period of re-employment, the Participant shall make contributions to the Plan and shall earn Credited Service under the Plan. Upon re-retirement, the Participant’s pension benefits shall be recalculated and payment shall commence on the first day of the month coinciding with or next following the Participant’s re-retirement.

If a Participant who is receiving benefits is elected to office or selected to fill a vacancy in an appointed office (City Manager, City Attorney, or City Clerk) while receiving benefits under the Plan, such Participant shall choose one of the following options regarding the payment of pension benefits:

- (a) While the Participant is in office, pension benefits shall cease to be paid under the Plan and the Participant shall make contributions to the Plan. Upon re-retirement, benefits shall be recalculated and payments shall commence to be made; or
- (b) The Participant shall continue to receive pension benefits from the Plan. The Participant, however, shall not make any additional contributions to the Plan, shall not receive additional Credited Service under the Plan, and shall not be entitled to a recalculation of benefits upon re-retirement.”


SECTION 6

The City of Savannah Employees' Retirement Plan amends set forth herein shall be effective for all purposes as of January 1, 2023.

SECTION 7

All Charter, Code provisions, Ordinances and Laws not in conflict herewith shall continue in full force and effect, but where in conflict, are hereby repealed.

ADOPTED AND APPROVED: OCTOBER 27, 2022



VAN R. JOHNSON, II
MAYOR

ATTEST:



MARK MASSEY
CLERK OF COUNCIL



[SEAL]

